

**C J WILDBIRD FOODS LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

  
**Whittingham Riddell**  
*chartered accountants*

THURSDAY



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**C J WILDBIRD FOODS LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	Mr J T W M Thomassen Mr A J Cordery (resigned 14 September 2018)
<b>Company secretary</b>	Mr I M Overall
<b>Registered number</b>	02101581
<b>Registered office</b>	The Rea Upton Magna Shrewsbury Shropshire SY4 4UR
<b>Independent auditors</b>	Whittingham Riddell LLP Chartered Accountants & Statutory Auditors Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG

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**C J WILDBIRD FOODS LIMITED**

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**CONTENTS**

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	Page
<b>Strategic Report</b>	1 - 2
<b>Directors' Report</b>	3 - 4
<b>Independent Auditors' Report</b>	5 - 7
<b>Statement of Comprehensive Income</b>	8
<b>Statement of Financial Position</b>	9
<b>Statement of Changes in Equity</b>	10
<b>Statement of Cash Flows</b>	11 - 12
<b>Notes to the Financial Statements</b>	13 - 31

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## C J WILDBIRD FOODS LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2019

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#### Introduction

The Director presents the Strategic Report on the Company for the year ended 31 March 2019.

#### Customers

The Company has a diverse customer base of both Commercial and Retail customers throughout Europe. Growth has been both organic and by way of new strategic partnerships. The diverse mix of channels and markets reduces the seasonal impact on sales and provides resilience to changes in local economic conditions.

#### Financial key performance indicators

The Board of Directors monitors closely the following KPI's:

- Operational and Strategic Risks
- Quality Performance and Customer Feedback
- Financial indicators including Revenues, Profitability and cash flow performance

Turnover has increased by 7.3% during the year, the result of growth in the customer base and new product lines. The gross profit ratio has reduced from 30.7% to 29.4% impacted by the type of products sold.

#### Principal risks and uncertainties

##### Strategic risk

Strategic risk relates to the risks affecting the ability of the Company to achieve its corporate and strategic objectives. The Company seeks to mitigate these risks by focusing on developing a sustainable business model, which includes obtaining sufficient funding to allow the Company to meet its financial obligations continuing to invest in people, infrastructure and technology, and developing a range of strategic partnerships which generate reliable and diverse revenue streams.

##### Credit risk

Credit risk relates to the risk of financial loss arising from debtors failing to meet their financial obligations. The Company seeks to mitigate credit risk in relation to its retail debtors by continuously reviewing its credit worthiness policy and designing procedures and system controls to monitor and assess risk. Credit risk also arises from trade receivables. The Company has implemented operational processes and policies to assess and manage this risk. The credit quality of the receivables have been assessed and no impairment is required. Transactional bad debt or loss risk is measured by regular monitoring. The risk relates to relatively small amounts invoiced with the outstanding balance at year end displayed within trade receivables.

##### Operational risk

Operational risk relates to the risk of financial loss from inadequate or failed internal processes, systems and people or from external events including financial crime. The Company maintains robust operational systems and controls and invests in its people, infrastructure and technology to ensure the operational risk is mitigated.

##### Conduct risk

Conduct risk relates to the risk of detriment to the Company's customers due to the inappropriate execution of its business activities and processes. The Company mitigates conduct risk by observing and tracking activities which affect customers, monitoring customer complaints and implementing any improvements required.

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**C J WILDBIRD FOODS LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2019**

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Liquidity Risk

Liquidity risk relates to the risk that the Company is unable to meet its financial obligations as they fall due. The risk arises from unexpected (in terms of timing or amount) cash outflows or expected inflows which fail to materialise. The Company's approach to manage liquidity risk is to ensure it maintains sufficient cash reserves to facilitate its strategic plan. The Company's cash position is monitored regularly by both management and the board of directors. Cash flow forecasting and sensitivity analysis is used to ensure it has sufficient funds to meet operational needs.


Market Risk

Market risk is the risk that the fair value of future cash flows will be subject to fluctuating market prices. The Company has external borrowing's and so has exposure to interest rate risk. Sensitivity analysis of these risks has been performed to ensure the exposure is identified. The Company will continue to focus on developing a diverse customer base and sales channels, and to invest in people, infrastructure and the technology required to enable the business to scale effectively.

This report was approved by the board and signed on its behalf.

**Mr J T W M Thomassen**  
Director

Date:

23.04.2019 

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## C J WILDBIRD FOODS LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

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The Directors present their report and the financial statements for the year ended 31 March 2019.

#### Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Principal activity

The principal activity of the Company is the design, production and sale of foods and other products for wildlife. Through research and innovation, the Company has built a reputation as the leader in these products throughout Europe and is recognised as the preferred professional partner for many wildlife organisations and charities across Europe. The Company strives to offer the best products to help wildlife to survive and thrive together, excellent customer service and give good value for money. Its innovative products have made a significant difference to wildlife survival.

#### Results and dividends

The profit for the year, after taxation, amounted to £953,250 (2018 - £1,364,024).

Particulars of recommended dividends are detailed in note 12 to the financial statements.

#### Directors

The Directors who served during the year were:

Mr J T W M Thomassen

Mr A J Cordery (resigned 14 September 2018)

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**C J WILDBIRD FOODS LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2019**

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**Future developments**

The Company continues to invest in improved production facilities, enabling it to maintain its reputation for high quality bird food.

**Financial instruments**

The Company only enters into basic financial instrument transactions that would result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties.

**Overseas branches**

The Company has branches in Holland and Lithuania.

**Disclosure of information to auditors**

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

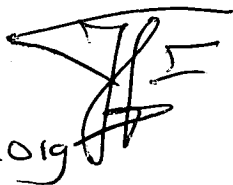
**Auditors**

The auditors, Whittingham Riddell LLP, will be proposed for reappointment in accordance with section 489 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

Mr J T W M Thomassen  
Director

Date:



23.08.2019

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## C J WILDBIRD FOODS LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF C J WILDBIRD FOODS LIMITED

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#### Opinion

We have audited the financial statements of C J Wildbird Foods Limited (the 'Company') for the year ended 31 March 2019, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our



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## C J WILDBIRD FOODS LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF C J WILDBIRD FOODS LIMITED (CONTINUED)

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knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement on page 3, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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C J WILDBIRD FOODS LIMITED

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF C J WILDBIRD FOODS LIMITED  
(CONTINUED)

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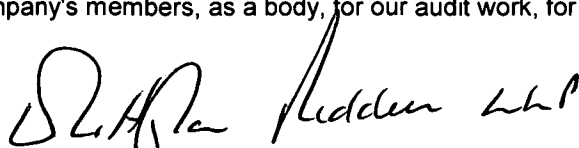
**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Malpass BA FCA (Senior Statutory Auditor)

for and on behalf of  
**Whittingham Riddell LLP**

Chartered Accountants  
Statutory Auditors

Belmont House  
Shrewsbury Business Park  
Shrewsbury  
Shropshire  
SY2 6LG

Date:

27 August 2019

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C J WILDBIRD FOODS LIMITED

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STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2019

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	Note	2019 £	2018 £
Turnover	4	26,333,445	24,528,591
Cost of sales		(18,596,073)	(16,995,447)
<b>Gross profit</b>		<b>7,737,372</b>	<b>7,533,144</b>
Distribution costs		(2,528,854)	(2,125,528)
Administrative expenses		(3,620,291)	(3,522,146)
<b>Operating profit</b>	5	<b>1,588,227</b>	<b>1,885,470</b>
Interest receivable and similar income	9	274	22
Interest payable and similar expenses	10	(211,153)	(191,075)
<b>Profit before tax</b>		<b>1,377,348</b>	<b>1,694,417</b>
Tax on profit	11	(424,098)	(330,393)
<b>Profit for the financial year</b>		<b>953,250</b>	<b>1,364,024</b>

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 13 to 31 form part of these financial statements.

**C J WILDBIRD FOODS LIMITED**  
**REGISTERED NUMBER: 02101581**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	13	26,134	28,468
Tangible assets	14	2,887,562	2,858,484
Investments	15	2,000	2,000
		<u>2,915,696</u>	<u>2,888,952</u>
<b>Current assets</b>			
Stocks	16	4,345,951	3,396,545
Debtors: amounts falling due within one year	17	1,773,729	2,065,998
Cash at bank and in hand	18	708,571	2,333,028
		<u>6,828,251</u>	<u>7,795,571</u>
Creditors: amounts falling due within one year	19	(4,899,162)	(3,564,331)
<b>Net current assets</b>		<u>1,929,089</u>	<u>4,231,240</u>
<b>Total assets less current liabilities</b>		<u>4,844,785</u>	<u>7,120,192</u>
Creditors: amounts falling due after more than one year	20	(2,313,068)	(1,022,000)
<b>Provisions for liabilities</b>			
Deferred tax	23	(41,365)	-
		<u>(41,365)</u>	<u>-</u>
<b>Net assets</b>		<u><u>2,490,352</u></u>	<u><u>6,098,192</u></u>
<b>Capital and reserves</b>			
Called up share capital	24	60,000	120,000
Capital redemption reserve	25	140,000	80,000
Profit and loss account	25	2,290,352	5,898,192
		<u><u>2,490,352</u></u>	<u><u>6,098,192</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Mr J T W M Thomassen  
 Director

Date: 23.08.2019

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**C J WILDBIRD FOODS LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2019**

	Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total equity £
<b>At 1 April 2017</b>	<b>120,000</b>	<b>80,000</b>	<b>4,735,698</b>	<b>4,935,698</b>
Profit for the year	-	-	1,364,024	1,364,024
Dividends: Equity capital	-	-	(201,530)	(201,530)
<b>At 1 April 2018</b>	<b>120,000</b>	<b>80,000</b>	<b>5,898,192</b>	<b>6,098,192</b>
Profit for the year	-	-	953,250	953,250
Dividends: Equity capital	-	-	(160,974)	(160,974)
Purchase of own shares	-	60,000	(4,400,116)	(4,340,116)
Shares redeemed during the year	(60,000)	-	-	(60,000)
<b>Total transactions with owners</b>	<b>(60,000)</b>	<b>60,000</b>	<b>(4,561,090)</b>	<b>(4,561,090)</b>
<b>At 31 March 2019</b>	<b>60,000</b>	<b>140,000</b>	<b>2,290,352</b>	<b>2,490,352</b>

The notes on pages 13 to 31 form part of these financial statements.

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C J WILDBIRD FOODS LIMITED

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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2019

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	2019 £	2018 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	953,250	1,364,024
<b>Adjustments for:</b>		
Amortisation of intangible assets	21,914	13,959
Depreciation of tangible assets	384,166	341,173
Loss on disposal of tangible assets	(14,450)	(11,440)
Interest paid	211,153	191,075
Interest received	(274)	(22)
Taxation charge	424,098	330,393
(Increase)/decrease in stocks	(949,406)	855,180
Decrease/(increase) in debtors	287,429	(710,486)
Increase in creditors	1,307,689	890,411
Corporation tax (paid)	(605,484)	(82,077)
<b>Net cash generated from operating activities</b>	<b>2,020,085</b>	<b>3,182,190</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(19,580)	(18,348)
Purchase of tangible fixed assets	(413,440)	(301,628)
Sale of tangible fixed assets	14,646	11,440
Cash advances and loans granted	(150,388)	(150,388)
Interest received	274	22
<b>Net cash from investing activities</b>	<b>(568,488)</b>	<b>(458,902)</b>

**C J WILDBIRD FOODS LIMITED**

**STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2019**

	2019 £	2018 £
<b>Cash flows from financing activities</b>		
New/Repayment of secured loans	1,546,602	(97,793)
Dividends paid	(160,974)	(201,530)
Interest paid	(60,765)	(40,687)
Repurchase of own shares	(4,400,116)	-
<b>Net cash used in financing activities</b>	<b>(3,075,253)</b>	<b>(340,010)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,623,656)</b>	<b>2,383,278</b>
Cash and cash equivalents at beginning of year	2,332,227	(51,051)
<b>Cash and cash equivalents at the end of year</b>	<b>708,571</b>	<b>2,332,227</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	708,571	2,333,028
Bank overdrafts	-	(801)
	<b>708,571</b>	<b>2,332,227</b>

The notes on pages 13 to 31 form part of these financial statements.

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## C J WILDBIRD FOODS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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#### 1. General information

The Company is a private company limited by shares, registered in England and Wales and incorporated and domiciled in the UK. The address of its registered office is The Rea, Upton Magna, Shrewsbury, Shropshire, SY4 4UR.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### 2.2 Exemption from preparing consolidated financial statements

The Company is exempt from the requirement to prepare consolidated financial statements as all of its subsidiaries are required to be excluded from consolidation by section 402 of the Companies Act 2006.

##### 2.3 Foreign currency translation

###### Functional and presentation currency

The Company's functional and presentational currency is GBP.

###### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**2. Accounting policies (continued)**

**2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**2.5 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.6 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

**2.7 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

**2.8 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019

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**2. Accounting policies (continued)**

**2.9 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

**2.10 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019

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**2. Accounting policies (continued)**

**2.11 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Any intangible assets carried at a revalued amount are recorded at the fair value at the date of revaluation as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

**Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset, which in any case shall not exceed a period of ten years.

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

**2.12 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 2%
Plant and machinery	- 15%
Motor vehicles	- 25%
Fixtures, fittings and equipment	- 10% - 33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

**2.13 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

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**C J WILDBIRD FOODS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**2. Accounting policies (continued)**

**2.14 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.15 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.16 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

**2.17 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.18 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

**2.19 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans

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## C J WILDBIRD FOODS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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#### 2. Accounting policies (continued)

##### 2.19 Financial instruments (continued)

and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### 2.20 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

#### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. In the opinion of the Director there are no estimates and assumptions that have a significant risk of causing material adjustments to the carrying amount of assets and liabilities within the next financial year.

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C J WILDBIRD FOODS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019

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4. Turnover

The whole of the turnover is attributable to the design, production and sale of foods and other products for wildlife.

Analysis of turnover by country of destination:

	2019 £	2018 £
United Kingdom	4,533,344	4,524,203
Rest of Europe	21,800,101	20,004,388
	<u>26,333,445</u>	<u>24,528,591</u>

5. Operating profit

The operating profit is stated after charging:

	2019 £	2018 £
Research & development charged as an expense	48,383	31,404
Exchange differences	(74,597)	95,860
	<u></u>	<u></u>

6. Auditors' remuneration

	2019 £	2018 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>11,870</u>	<u>22,100</u>
<b>Fees payable to the Company's auditor and its associates in respect of:</b>		
All other services	<u>1,700</u>	<u>-</u>
	<u>1,700</u>	<u>-</u>

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**C J WILDBIRD FOODS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**7. Employees**

Staff costs, including Directors' remuneration, were as follows:

	2019 £	2018 £
Wages and salaries	4,551,506	4,065,465
Social security costs	535,697	502,847
Cost of defined contribution scheme	118,548	125,479
	<u>5,205,751</u>	<u>4,693,791</u>

The average monthly number of employees, including the Directors, during the year was as follows:

	2019 No.	2018 No.
Administration, Sales and Marketing	92	89
Production Staff	75	72
	<u>167</u>	<u>161</u>

The Directors are considered to constitute the Key Management Personnel of the Company.

**8. Directors' remuneration**

	2019 £	2018 £
Directors' emoluments	225,660	238,366
Company contributions to defined contribution pension schemes	10,000	13,000
	<u>235,660</u>	<u>251,366</u>

During the year retirement benefits were accruing to 1 Director (2018 - 1) in respect of defined contribution pension schemes.

**9. Interest receivable and similar income**

	2019 £	2018 £
Bank deposits	274	22
	<u>274</u>	<u>22</u>

**C J WILDBIRD FOODS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

**10. Interest payable and similar expenses**

	2019 £	2018 £
Bank loans and overdrafts	60,765	40,687
Loss on financial instruments	150,388	150,388
	<u>211,153</u>	<u>191,075</u>

**11. Taxation**

	2019 £	2018 £
<b>Corporation tax</b>		
Current tax on profits for the year	255,166	321,927
Adjustments in respect of previous periods	(277,329)	(2,551)
	<u>(22,163)</u>	<u>319,376</u>
Double taxation relief	(223,025)	-
	<u>(245,188)</u>	<u>319,376</u>
<b>Foreign tax</b>		
Foreign tax on income for the year	279,314	-
Foreign tax in respect of prior periods	343,767	-
	<u>623,081</u>	<u>-</u>
<b>Total current tax</b>	<u>377,893</u>	<u>319,376</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	19,132	11,017
Adjustments in respect of previous periods	27,073	-
<b>Total deferred tax</b>	<u>46,205</u>	<u>11,017</u>
<b>Taxation on profit on ordinary activities</b>	<u>424,098</u>	<u>330,393</u>



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**C J WILDBIRD FOODS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**11. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2018 - *higher than*) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>1,377,348</u>	<u>1,694,417</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	261,696	321,939
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	142	62
Capital allowances for year in excess of depreciation	13,494	13,493
Foreign tax credits	56,289	-
Adjustments to tax charge in respect of prior periods	93,511	(2,551)
Non-taxable income less expenses not deductible for tax purposes, other than goodwill and impairment	-	(823)
Other differences leading to an increase (decrease) in the tax charge	(1,034)	(1,727)
<b>Total tax charge for the year</b>	<u><u>424,098</u></u>	<u><u>330,393</u></u>

**Factors that may affect future tax charges**

At Summer Budget 2015 the government announced legislation setting the Corporation Tax main rate at 19% (effective 1 April 2017) and 18% (effective 1 April 2020). At Budget 2016 the government announced a further reduction to the Corporation Tax main rate to 17% (effective 1 April 2020) and this rate was substantively enacted on 6 September 2016. This will reduce the Company's future current tax charge accordingly.

**12. Dividends**

	2019 £	2018 £
Dividends paid during the year	<u>160,974</u>	<u>201,530</u>
	<u><u>160,974</u></u>	<u><u>201,530</u></u>

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**C J WILDBIRD FOODS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**13. Intangible assets**

	Goodwill £	Patents, trademarks & licences £	Total £
<b>Cost</b>			
At 1 April 2018	309,759	727,614	1,037,373
Additions	-	19,580	19,580
At 31 March 2019	<u>309,759</u>	<u>747,194</u>	<u>1,056,953</u>
<b>Amortisation</b>			
At 1 April 2018	309,759	699,146	1,008,905
Charge for the year	-	21,914	21,914
At 31 March 2019	<u>309,759</u>	<u>721,060</u>	<u>1,030,819</u>
<b>Net book value</b>			
At 31 March 2019	<u>-</u>	<u>26,134</u>	<u>26,134</u>
At 31 March 2018	<u>-</u>	<u>28,468</u>	<u>28,468</u>

**C J WILDBIRD FOODS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

**14. Tangible fixed assets**

	Freehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 April 2018	3,500,070	3,180,894	3,576,649	137,894	10,395,507
Additions	14,093	43,425	346,705	9,217	413,440
Disposals	-	(10,393)	(230,330)	(40,399)	(281,122)
At 31 March 2019	3,514,163	3,213,926	3,693,024	106,712	10,527,825
<b>Depreciation</b>					
At 1 April 2018	1,328,221	2,879,098	3,198,392	131,312	7,537,023
Charge for the year on owned assets	71,023	119,965	190,152	3,026	384,166
Disposals	-	(10,393)	(230,134)	(40,399)	(280,926)
At 31 March 2019	1,399,244	2,988,670	3,158,410	93,939	7,640,263
<b>Net book value</b>					
At 31 March 2019	2,114,919	225,256	534,614	12,773	2,887,562
At 31 March 2018	2,171,849	301,796	378,257	6,582	2,858,484

**C J WILDBIRD FOODS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

**15. Fixed asset investments**

	Shares in group undertakings £	Loans to undertakings in which the Company has a participating interest £	Total £
<b>Cost or valuation</b>			
At 1 April 2018	2,000	2,119,195	2,121,195
Additions	-	150,388	150,388
At 31 March 2019	<u>2,000</u>	<u>2,269,583</u>	<u>2,271,583</u>
<b>Impairment</b>			
At 1 April 2018	-	2,119,195	2,119,195
Impairment loss	-	150,388	150,388
At 31 March 2019	<u>-</u>	<u>2,269,583</u>	<u>2,269,583</u>
<b>Net book value</b>			
At 31 March 2019	<u>2,000</u>	<u>-</u>	<u>2,000</u>
At 31 March 2018	<u>2,000</u>	<u>-</u>	<u>2,000</u>

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Country</b>
Birdcare Limited	Ordinary	100 %	UK
Subbuteo Natural History Books Limited	Ordinary	100 %	UK
Lin Lights Limited	Ordinary	100 %	UK
C J Wildlife Limited	Ordinary	100 %	UK
Arlequin Press Limited	Ordinary	100 %	UK
Thomassen Trading BV	Ordinary	100 %	Netherlands
Birdforum Limited	Ordinary	50 %	UK

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**C J WILDBIRD FOODS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**15. Fixed asset investments (continued)**

The aggregate of the share capital and reserves as at 31 March 2019 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Birdcare Limited	2,268	-
Subbuteo Natural History Books Limited	(3,961)	-
Lin Lights Limited	1	-
C J Wildlife Limited	1	-
Arlequin Press Limited	2	-
Thomassen Trading BV	(36,244)	(996)
Birdforum Limited	(2,030,550)	(154,877)
	<u>(2,068,483)</u>	<u>(155,873)</u>

**16. Stocks**

	2019 £	2018 £
Raw materials and consumables	598,961	575,263
Finished goods and goods for resale	3,746,990	2,821,282
	<u>4,345,951</u>	<u>3,396,545</u>

Stock recognised in cost of sales during the year as an expense was £11,028,693 (2018 - £10,188,167) .

**17. Debtors**

	2019 £	2018 £
Trade debtors	1,482,733	1,772,743
Other debtors	93,403	131,060
Prepayments and accrued income	197,593	157,355
Deferred taxation	-	4,840
	<u>1,773,729</u>	<u>2,065,998</u>

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**C J WILDBIRD FOODS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**18. Cash and cash equivalents**

	2019 £	2018 £
Cash at bank and in hand	708,571	2,333,028
Less: bank overdrafts	-	(801)
	<u>708,571</u>	<u>2,332,227</u>

**19. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Bank overdrafts	-	801
Bank loans	372,332	116,798
Trade creditors	2,187,979	1,434,593
Corporation tax	94,336	321,927
Other taxation and social security	999,955	424,499
Other creditors	370,510	316,613
Accruals and deferred income	874,050	949,100
	<u>4,899,162</u>	<u>3,564,331</u>

Bank loans are secured upon freehold property by a fixed charge.

**20. Creditors: Amounts falling due after more than one year**

	2019 £	2018 £
Bank loans	2,313,068	1,022,000
	<u>2,313,068</u>	<u>1,022,000</u>

Bank loans are secured upon freehold property by a fixed charge.

Included within Creditors: Amounts falling due after more than one year is an amount of £823,739 (2018: £554,808) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

This liability is being repaid by monthly instalments to ensure it is settled within the terms of the loan. The rate of interest is 3.65% per annum.

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C J WILDBIRD FOODS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019

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**21. Loans**

Analysis of the maturity of loans is given below:

	2019 £	2018 £
<b>Amounts falling due within one year</b>		
Bank loans	372,332	116,798
	<u>372,332</u>	<u>116,798</u>
<b>Amounts falling due 1-2 years</b>		
Bank loans	372,332	116,798
	<u>372,332</u>	<u>116,798</u>
<b>Amounts falling due 2-5 years</b>		
Bank loans	1,116,997	350,394
	<u>1,116,997</u>	<u>350,394</u>
<b>Amounts falling due after more than 5 years</b>		
Bank loans	823,739	554,808
	<u>823,739</u>	<u>554,808</u>
	<u>2,685,400</u>	<u>1,138,798</u>

**C J WILDBIRD FOODS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

**22. Financial instruments**

	2019 £	2018 £
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	<u>1,576,136</u>	<u>1,903,803</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(6,003,057)</u>	<u>(3,723,107)</u>

Financial assets that are debt instruments measured at amortised cost comprise trade and other debtors.

Financial liabilities measured at amortised cost comprise trade and other creditors, accruals, and bank loans.

**23. Deferred taxation**

	2019 £
At beginning of year	4,840
Charged to profit or loss	(46,205)
<b>At end of year</b>	<u>(41,365)</u>

The deferred taxation balance is made up as follows:

	2019 £	2018 £
Fixed asset timing differences	(42,136)	(25,337)
Short term timing differences	771	2,945
Losses and other deductions	-	27,232
	<u>(41,365)</u>	<u>4,840</u>



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C J WILDBIRD FOODS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019

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**24. Share capital**

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
60,000 (2018 - 60,000) Ordinary A shares of £1.00 each	60,000	60,000
0 (2018 - 60,000) Ordinary B shares of £1.00 each	-	60,000
	<u>60,000</u>	<u>120,000</u>

**25. Reserves**

**Capital redemption reserve**

This reserve records the nominal value of shares repurchased by the Company.

**Profit and loss account**

This reflects accumulated undistributed profits generated by the Company since incorporation.

**26. Pension commitments**

The Company operated a defined contribution pension scheme for the benefit of employees. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge for the year was £118,548 (2018: £125,479). Contributions totalling £9,845 were payable to the fund at the Balance Sheet date and are included in creditors.

**27. Commitments under operating leases**

At 31 March 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	359,043	241,479
Later than 1 year and not later than 5 years	485,265	374,821
Later than 5 years	21,622	-
	<u>865,930</u>	<u>616,300</u>

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**C J WILDBIRD FOODS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**28. Related party transactions**

During the year the Company paid dividends to the following related parties:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Kraej Venroj B.V.	<b>101,554</b>	100,765
Mr A J Cordery	<b>59,420</b>	100,765
	<b>160,974</b>	<b>201,530</b>

Kraej Venroj B.V. is a company controlled by Mr J T W M Thomassen.

**29. Controlling party**

The Company is under the control of Mr J T W M Thomassen.